



THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY  
USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT  
POLICY

Voluntary - Public

**Date:** 12/8/2009  
**GAIN Report Number:** TH9189

## **Thailand**

**Post:** Bangkok

### **Weekly Rice Price Update**

**Report Categories:**

Grain and Feed

**Approved By:**

Orestes Vasquez, Agricultural Attaché

**Prepared By:**

Ponnarong Prasertsri, Agricultural Specialist

**Report Highlights:**

TH9189 Domestic and export market prices remained volatile. Quotations were \$10-30/MT higher following an unexpected run-up in prices from the Philippines' aggressive tender. Domestic prices of white rice paddy surged surpassing insured prices.

## Market Tone

**Table 1: Export Prices (FOB) for various grades of Thai rice (USD/MT), Week ending Dec. 8, 2009**

Quality	Exporter Observations							Period Average	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
FWR 100 B	1,010	-	990	-	1,000	970	-	993	979
WR 100 B	605	-	615	-	620	615	600	611	590
PB 100%	620	-	630	-	620	615	610	619	610
PB 5%	610	-	620	-	610	610	600	610	602
WR 5%	590	-	605	-	610	590	590	597	572
WR 10%	580	-	-	-	600	580	-	587	552
WR 15%	545	-	-	-	-	560	-	553	528
WR 25%	510	-	-	-	-	520	-	515	480
WR 35%	-	-	-	-	-	-	-	-	-
A1 SUP	375	-	-	-	375	450	-	400	355
A1 SPEC	-	-	-	-	-	-	-	-	-

Exchange rate: 33.0 baht/US \$

Source: Average actual prices received from exporters

Domestic and export market prices remained volatile. Export quotations were \$10-30/MT higher than previous week's levels, while domestic prices increased by 3-8 percent. Exporters anticipate prices to fluctuate throughout this month as the first Philippine tender of 600,000 tons concluded with contracts of 520,000 tons with higher-than-expected bidding prices. Reportedly, Vietnam was awarded contracts for 300,000 tons of 25% grade white rice at \$625/MT (C&F) which were approximately \$150/MT higher than the previous contracts on November 4. Meanwhile, Thai rice will likely attain contracts for the remaining 220,000 tons at \$645/MT (C&F). The Philippines will go forward with its plans to hold tenders on December 8 and 15, however for the December 15 tender the government's rice purchasing budget has been revised up 21 percent due to soaring prices. In addition, delivery was extended to March – June instead of February – May 2010.

Domestic prices of white rice paddy surged surpassing the insured prices as local traders and millers secure paddy supplies fueled by the Philippines' aggressive tenders. The bi-weekly benchmark also increased from a week ago resulting in a smaller compensation for white rice and fragrant rice farmers. For Pathumthani fragrant rice and glutinous rice paddy, benchmark prices surpassed insured prices resulting in no compensation for these crops.

**Table 2: Price Insurance Scheme for MY 2009/2010 rice crop**

	Rice paddy				
	Fragrant rice (Hom Mali)	Provincial fragrant rice	Pathum fragrant rice	Glutinous rice	White rice
1. Eligible tonnage (ton/household) <sup>a/</sup>	14	16	25	16	25
2. Insured prices (Baht/ton) <sup>a/</sup>	15,300	14,300	10,000	9,500	10,000
3. Benchmark prices (Baht/ton) <sup>b/</sup>					
Oct. 1-15	14,986	13,899	9,896	7,523	8,806
Oct. 16-31	14,940	13,860	8,940	7,470	8,466
Nov. 1-15	14,840	13,729	9,175	7,680	8,389
Nov. 16-30	13,002	12,620	10,501	8,473	8,914
Dec. 1-15	13,720	13,388	10,565	9,591	9,242
4. Compensation (1-2), (Baht/ton)					
Oct. 1-15	314	401	104	1,977	1,194
Oct. 16-31	360	440	1,060	2,030	1,534
Nov. 1-15	460	571	825	1,820	1,611
Nov. 16-30	2,298	1,680	-	1,027	1,086
Dec. 1-15	1,580	912	-	-	758
5. Market prices (Baht/ton)					
Oct. 1-15	n.a.	n.a.	8,500	n.a.	8,600
Oct. 16-31	13,675	n.a.	8,575	n.a.	8,150
Nov. 1-15	14,075	14,000	9,775	8,800	8,525
Nov. 16-30	14,577	14,000	10,550	8,967	9,600
Dec. 1-15 <sup>c/</sup>	15,150	14,000	11,500	10,250	10,550

Note:

<sup>a/</sup> Cabinet approval on Sep. 22, 2009<sup>b/</sup> The benchmark prices will be published twice a month on the 1st and 16th, based on average historical wholesale prices of the last 15 days in Bangkok. These prices are set by the Subcommittee on Benchmark Price Determination, chaired by the Permanent Secretary of Ministry of Commerce.<sup>c/</sup> As of Dec. 8, 2009

## Rice Export Update

Unofficial exports (excluding fragrant rice) for November 30 – December 6, 2009 totaled 80,501 tons, up 5,397 tons from the previous week, and down 14,918 tons from the four-week moving average of 95,418 tons. Exports of white rice during January 1 – December 6, 2009 totaled 5,506,034 tons, as compared with 7,170,219 tons in the previous year.

According to the Department of Foreign Trade, Ministry of Commerce, total rice exports (including fragrant rice) during January 1 – November 20, 2009 amounted to 7,695,349 tons, down 17.3 percent from 9,305,692 tons in the previous year.

**Table 3: Weekly rice exports (excluding fragrant rice)**

WEEK ENDING	QUANTITY	4 WK AVG	YEAR TO DATE	YEAR AGO	YEAR TO DATE AS % OF LAST YEAR
	(MT)	(MT)	(TMT)	(TMT)	(%)
Sep 20	142,128	130,406	4,348	6,246	-30.4
Sep 27	116,648	124,635	4,464	6,383	-30.1
Oct 4	96,150	122,247	4,560	6,468	-29.5
Oct 11	108,202	115,782	4,669	6,536	-28.5
Oct 18	102,396	105,849	4,771	6,692	-28.7
Oct 25	145,259	113,002	4,916	6,771	-27.4
Nov 1	114,220	117,520	5,030	6,827	-26.3
Nov 8	93,983	113,965	5,124	6,908	-25.8
Nov 15	112,300	116,441	5,237	6,997	-25.2
Nov 22	113,768	108,568	5,350	7,047	-24.1
Nov 29	75,104	98,789	5,426	7,101	-23.6
Dec 6	75,104	98,789	5,426	7,101	-23.2

*Note on data: Export figures since March 22, 2002, do not include fragrant rice. The authority to report fragrant rice exports was moved from the Thai Board of Trade to the Ministry of Commerce's Office of Commodity Standards, which does not release official fragrant rice export data. FAS/BKK will report only official export numbers from the Board of Trade for non-fragrant and from the Office of Commodity Standards for fragrant rice when available, but the reader should bear in mind the difference between the data.*

Source: Board of Trade of Thailand

**Table 4: Weekly private registered rice export sales**

Movement (MT)	Nov. 16-20	Nov. 23-27	Nov. 30 - Dec. 4 (Preliminary)
Weekly sales	50,629	85,654	86,599
4 week sum	398,073	362,438	372,123
4 week mov. avg.	99,518	90,610	93,031
Total weekly sales	5,672,426	5,758,080	5,844,679

End of report.